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FINAL REPORT

of

THE WAR FOOD ADMINISTRATOR

1945

UNITED STATES DEPARTMENT OF AGRICULTURE

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FINAL REPORT
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THE WAR FOOD ADMINISTRATOR
1945
To The President

LETTER OF TRANSMITTAL

War Food Administration,
Washington, D. C., June 30, 1945.

Dear Mr. President: I am submitting to you herewith a report of the general activities of the War Food Administration for the 2 years during which I have been responsible for its direction.

When I took the oath of office on June 29, 1943, it was obvious to us all that food was one of the most vital of all war materials. I have not lost sight of this fact at any time during the eventful 24 months since that date. I have said repeatedly that we cannot afford to take chances with the Nation's food supplies, and the operations of the War Food Administration have always been geared to reach the highest possible goals in efficient production and distribution.

It has not always been possible to do everything that we wished to do—to reach every objective. It has been necessary during these 2 years to fit the food programs into the total economy of a country engaged in the greatest war effort of all time. The War Food Administration has consistently fought for all the materials, transportation facilities, and labor which could be made available for food production and distribution, but it has been clear that planes and landing craft must at times have first call on scarce supplies. We would not have had it otherwise.

The primary job of the War Food Administration has, of course, been to aid in securing the necessary production of food. We are very proud of production achievements during the war years. American farmers, cooperating with their Government, have set new production records each year.

In 1943 our farmers produced 32 percent more food than this or any other Nation ever produced before the war.

They increased this 6 percent in 1944, turning out an all-time record 38 percent above the 1935–39 average.

And the increases were greatest for those commodities which were in heaviest demand. Driving hard to overcome the loss of edible oils through Japanese aggression in the Pacific, our farmers raised domestic fats and oils production by more than 30 percent. Total meat production rose steadily, to a point 50 percent above the prewar level. In varying degree, these increases held clear across the board.

Credit for these magnificent records must go primarily to the country's farmers and ranchers. They produced more than was thought possible. And they did this in the face of serious wartime difficulties. Hundreds of thousands of our best manpower left the farms to swell the ranks in the armed services and the munitions factories. There was not enough machinery to offset the loss of labor. Storage space was frequently inadequate. Transportation was very difficult.

When the history of this war is written, one of the truly astounding chapters will be the story of how our farmers and ranchers overcame all obstacles to produce the needed food supplies. They and their families worked long hours; they pooled scarce machinery and tools with their neighbors; they used all the ingenuity for which the American producer is famous. As a result, they have earned the gratitude of the entire Nation for a production job beyond all expectations. The farmers have not failed, and anyone who sells them short makes a mistake.

Efficient distribution and division of available supplies among all the various claimants have presented serious and in many cases unprecedented problems. Never have demands on United States food approached those of the last 2 years. The War Food Administration itself has been buying an average of 5 million dollars' worth of food each day for various Government programs. Much of this food has been perishable, and there have, of course, been some losses just as there are always some losses in the handling of perishable food in the usual trade channels. When we consider the wartime shortages of storage and transportation facilities and the tremendous scope of the emergency operations, the wonder is that the losses have not been greater. The over-all record is fine, and we are proud of it.

We have heard a good deal about food shortages in recent weeks. It is of course perfectly true that our civilian consumers have not been able to buy all the meat they wanted and could pay for. Supplies of sugar and fats and oils, both very directly dependent on world conditions, have also been less than the effective demand. There are two important facts, however, which must be remembered:

1. The civilian shortages have been in important individual commodities, but *not* in total food supplies. In 1944 our people ate a per capita average of 9 percent *more* food than they had before the war. This year that average is still from 2 to 4 percent above the 1935–39 period.

2. The shortages have not been due to failures in production, but rather to tremendously increased demands throughout the world for United States food. The armed services are finding it necessary to take about 16 percent of our total supplies; the needs of our fighting allies continue; minimum demands for liberated countries have increased; consumer buying power, and resultant demand for food, is still very high in the United States.

Looking back on 2 years of war food efforts, I find that the satisfaction of successful over-all accomplishments far outweighs any minor disappointments along the way. We have had, and still have, the best fed Army that ever marched and the best fed Navy that ever sailed. Our own people have had more food and better diets during the war than they ever had in peacetime. In addition, we have been able to spare enough food to keep up the fighting strength of our allies, thus speeding victory and sparing countless lives of American youth. These were the real objectives of the War Food Administration, and these objectives have been met.

The report which follows covers only the most general of the manifold activities of the War Food Administration during these 2 years. It considers the basic jobs of production and distribution and discusses the special problems of labor, transportation, machinery, and facilities.

As the new staff takes over, a good foundation as well as an efficient organization will be found for continuing the program of all-out production to meet the vast wartime needs for American food.

While the announced reductions in army supplies and food requirements and the easing of farm machinery and labor shortages will tend to gradually improve the situation, transportation will continue to be a serious problem and the demands for food will continue to be great.

From the beginning the watchword of the War Food Administration has been all-out production. From that purpose it has never deviated.

The farmers and ranchmen of America have responded to every call that we have made. Their production record has been magnificent. I shall always be grateful to them, and the Nation owes them a debt of gratitude.

I am sure they will continue their good work under the new Secretary until our victory is complete.

Marvin Jones

Marvin Jones,
Administrator.

FOOD PROGRAMS AND PROBLEMS IN 1943 AND 1944

It is now 2 months since VE-day, and a convenient point at which to assess the United States food program of the last 2 years. The wartime food production record has been one of unbroken advances; it reached a peak in 1944 which was 38 percent above the prewar (1935–39) average. But the victory in Europe has increased rather than decreased the immediate requirements for United States food and emphasized the need for continued full production.

Food, of course, is a weapon of war. As such, it ranks with ships, airplanes, tanks, and guns. Food, particularly American food, has been especially crucial in the present war, because it has been essential to the fighting efficiency of our allies as well as of our own military forces, and has been required to maintain colossal industrial productivity here and in other allied countries. Notably, Great Britain and Russia have depended heavily on United States agriculture. Modern war demands enormous food production, not only for consumption by huge forces on land and sea, but for consumption by the personnel employed in war industries, in transport, and in related occupations. The United States' response to the wartime food demand must be set against the fact that the demand was virtually insatiable.

The War Food Administration's interest in food extends from the production on the farm to the final consumption. Food serves its purpose only when it is eaten; but before it can be eaten, it must be distributed; and before it can be distributed, it must be produced. Hence WFA's responsibility covers all main phases of the food job. Starting with guidance and assistance to farmers in producing food, it carries on through the other links in the chain. For example, in cooperation with other war agencies, WFA has many responsibilities in connection with procurement, processing, storage, transport, and distribution. But the main WFA job is on the farm production front, where it involves assistance to farmers in the determination of desirable crop goals, efforts to see that farmers have the tools they need, encouragement in the use of improved farm practices, and maintenance of adequate price supports.

High Points in Wartime Food Record

The record of the American farmers in producing food during the war years speaks for itself. Production during each of the last 2 years was an all-time record. With the 1935–39 average taken as equal to 100, the index number for 1943 was 132 and that for 1944 was 138. The most outstanding increases were in meat, poultry and eggs, and oil crops. Following the loss in the Pacific area of the source of half of our fats and oils supply, the United States through tremendous expansion in the production of vegetable oil crops and of livestock products changed from an import to an export basis in fats and oils. Also, it achieved a great increase in dairy production, and in beans and peas, important sources of vegetable proteins.

In achieving this record the farmers had to cope with many difficulties and inconveniences. Labor especially was scarce on the farms. Agriculture obtained its record food production in 1944 with 8 percent fewer workers than it had in the 1935–39 period. Moreover, much of the farm working force consisted of inexperienced workers, of women and children, and of older men. Allowance for the difference in strength and skill would make the effective labor force nearly 15 percent smaller.

Machinery was a relatively scarce item. In 1942 and subsequently farm-machinery production had to be restricted, and the new supply fell much below what farmers needed. Use of fertilizers and lime, though the highest on record, would have been still higher, had more of these materials been available. The War Food Administration kept other war agencies informed as to agriculture's requirements for labor, machinery, and supplies and conducted or aided programs that relieved the shortages.

Among the chief direct encouragements by WFA to food production in the last 2 years were extensions of the support-price program to include more commodities, special subsidy programs undertaken for dairy products in order to meet increased labor and feed costs, and removal of all limitations on production except for tobacco. The price-support program in 1944 included 7 livestock products, wool among them; 20 field crops; 15 fruits and vegetables for processing; and 49 seed crops. With limitations abolished on all food-crop production, WFA placed additional emphasis on informing farmers of the kinds and quantities of products most needed. In addition, it facilitated migration of agricultural workers within the United States and, with the cooperation of the State Department, imported agricultural labor from Mexico, the Bahama Islands, Jamaica, and Newfoundland.

Working With Other War Agencies

Preparation to transport, process, and distribute farm production was important. Accordingly, WFA cooperated with other war agencies and with processors and distributors to make efficient use of the available facilities. As an agency for the procurement, storage, transportation, and delivery of food and other agricultural products for the armed forces and for lend-lease, WFA became one of the world's largest food shippers. With the Office of Defense Transportation it shared certain responsibilities with regard to transportation; it supported Office of Defense Transporation programs for rail equipment and supplies; encouraged prompt handling of refrigerator cars; cooperated in the application of transportation priorities and helped to work out problems connected with lake and ocean shipping. It regulated the use of storage space and cooperated with meat packers, dairy-products manufacturers, canners, and others in ascertaining and presenting the requirements of food industries for labor and equipment.

Sufficient time has elapsed since VE-day to indicate clearly that victory in Europe has increased the immediate requirements for food. One important reason is the continued high purchasing power of United States consumers, who in the absence of rationing would take at ceiling prices considerably more food than is available. Another reason is the continuance of high military demands even in Europe and increased military requirements in the Pacific. Our occupation forces must be fed, and along with them some war prisoners. Finally, the needs of Europe's liberated areas must be met, at least to the extent of guarding against famine and disorder. With Pacific-area requirements included, it is obvious we cannot expect any early drop in the claim upon the American food supply. Supply lines to the Orient are long, and take much food to fill them. It should be remembered, too, that our advances there bring problems of relief feeding in their wake.

Pressure on the Food Supply

On the other hand, food production in the United States probably reached its peak in the fiscal year 1945. With feed reserves reduced to a minimum, production of livestock now has to be adjusted to current feed supplies. In 1943 and 1944, and in the earlier war years, the United States had large feed reserves which it could put into the feeding of livestock. Our feed-wheat program, which included large imports of wheat from Canada, aided livestock production. Moreover, so far in the war years the weather has been exceptionally favorable for crops. Just average weather in 1945, with a total acreage not greater than that of 1944, would give an agricultural production about 5 percent less than that of the previous year. It is evident, in short, that the claims upon the United States food supply may continue to run ahead of the production.

Pressure on the United States food supply has been increased by declines in food production in other food-surplus countries. Total world food output in 1945 may be somewhat less than in any of the last 3 years. Widespread droughts have affected important food producing areas of the Southern Hemisphere. In Argentina extreme drought has damaged grain crops and curtailed livestock production; Australia has had one of the worst droughts in its history; food production in South Africa has been below the average for several years. The current drought in Cuba is a big factor in the present sugar situation; present indications are for a Cuban sugar crop of only about 4 million short tons, as compared with 5.6 million tons last year and a 10-year average of 3.6 million tons. Continental Europe's supply of food from domestic sources will be smaller in the consumption year 1945–46 than it was in any of the previous war years, and possibly from 5 to 10 percent smaller than that of 1944–45.

The World Need for Food

As in the earlier war years the War Food Administration continues to cooperate in alleviating the world food situation through its membership on the Combined Food Board.

It takes part in the analysis of world food supplies and requirements, and manages United States exports and imports with an eye to equitable and efficient distribution of the total supplies available to the United Nations. The first objective is the most efficient prosecution of the war, confined now to hostilities against Japan. The second objective, which must not interfere with the first one, is to aid countries liberated from Axis domination.

Many reasons call for our continued cooperation on the international food front during the months immediately ahead, among them the responsibilities entailed by our victories. Lessening of the European relief needs is not yet in sight; in fact the high point may not be passed in 1945. Food must be used inEurope as a means of averting an economic and social break-down—in other words, as a means of making sure that our victory over the Nazi principle will endure.

Currently, the Demand Far Exceeds the Supply

Total prospective claims upon the United States food supply—those of our military forces, of our civilians, of our allies, and of the liberated peoples—show the strong desirability of maintaining maximum balanced food production in the United States at least for the year immediately ahead. Ultimately, some food surpluses may develop; but this fact should not be given undue weight in laying production plans for the immediate future. It is better to have too much than too little. But the wartime requirements for food must be backed by firm commitments to asure farmers that what they produce in response to these requirements will be purchased.

Meeting the Food Claims

The distribution of our record food output has involved important WFA tasks, which have concerned allocations, Government procurement, and civilian consumption. In collaboration with the armed forces and with the Combined Food Board, WFA has sought first to make sure that the armed forces would have all the food they needed, at the right times and in the right places. Secondly, it has provided for an adequate diet for American civilians, on a per capita level above that of the prewar years. Thirdly, to the limit of the supplies available, it has answered the calls of the allies and of other contributors to the direct war effort. Part of WFA's job is cooperation with the Army and Navy in food procurements, to coordinate United States food distribution with that of the other United Nations, and to indicate foods that should be rationed. Food industries, cooperating with WFA through Food Industry Committees, have done an outstanding job in maintaining a free flow of food in record volume to civilians, and at the same time in meeting the large Government demand for food, much of which requires specialized processing and packing.

Various types of Government assistance to the food industries became available through the War Food Administration, such as representation of the need for certain priorities, Government financing of necessary new processing facilities, regulation of the use of storage facilities particularly cooler and freezer space, and synchronization of Government shipments with production peaks. WFA and other Government agencies encouraged and aided the conversion of cooler to freezer space, promoted a more continuous and more complete utilization of all types of storage, and helped to coordinate storage with transport. It was a WFA responsibility to see that various claimants received the supplies that had been promised. The task involved the use of set-aside orders, the restriction by quota of commercial sales of certain commodities, special restrictions on the uses of some foods, and occasionally the prohibition of nonessential uses. These procedures were supplementary to rationing.

Bottlenecks in Distribution

Inevitably, certain difficulties in food distribution developed from time to time. In the dry-storage field, grain presented the greatest problem; this necessitated a series of emergency actions, such as the furnishing of bins for increased storage on the farm and a permit system to control shipments to clogged terminal markets.

Some difficulties with hogs and eggs developed in 1944. Probably hog production could have been maintained at higher levels had enough manpower been available at packing plants to process larger runs so that farmers would not have been forced to continue feeding hogs that were ready for market. Frequently, in 1944, the run of hogs was temporarirly above the capacity of many packing plants, and in consequence the hog price supports were not always fully effective at receiving points.

Egg production similarly pressed upon the facilities of the distribution system, and caused wide spreads at times between farm price levels and ceilings. This was partly the result of shortages of storage space, of egg cases, and of labor for grading eggs. It was necessary to convert some eggs into tankage. Occasionally, the production of certain vegetables for canning and for the fresh market pressed heavily on the available processing or distribution facilities, the operators of which had difficulty in getting labor and supplies.

On balance, however, the distribution system worked smoothly, and presented few impediments to the flow of production from the farms.

Price Support and Stabilization

Mention has been made of the extensive price-support system, which encouraged farmers to produce the kinds and quantities of production desired. Main features of it were loan programs; purchases of some commodities direct from farmers; purchases of other commodities from processors and dealers, with the sellers required to pay minimum specified prices to farmers; and special payments to producers, either directly or through processors. Simultaneously, WFA cooperated in the "Hold-the-Line" program for stabilizing prices and preventing inflation. This involved purchase and sales operations, accompanied by the use of subsidies. In line with President Roosevelt's "Hold-the-Line" order of April 8, 1943, WFA cooperated with the Office of Price Administration in extending the ceiling principle to commodities not previously covered, and worked out a program of payments to encourage various types of production with no addition to the cost at retail.

By 1944 WFA was operating or aiding stabilization programs for a considerable number of commodities. It assumed losses, for example, in a program designed to keep feed prices low relative to livestock prices; made payments to dairy producers on their sales of milk and butterfat; conducted a program temporarily which allowed farmers to redeem loan wheat at prices compatible with sale of it in line with ceiling prices on flour; and paid part of the cost of supporting prices of vegetables for canning to farmers and at the same time of holding down the prices of some canned vegetables to consumers. Programs similarly designed to support prices to farmers and yet not raise the cost of living were in effect for dry beans, cheddar cheese, vegetable oils, potatoes, sweetpotatoes, sugar, and certain dried fruits. Farmers continued to earn good returns, as may be judged from the fact that total receipts from farm marketings in 1944 were about 20 billion dollars as compared with about 5 billions in the depression year 1932. Net incomes to farm operators in 1944 were nearly three times as high as the annual average for 1935–39.

Requests for Production Facilities

As official claimant for scarce materials required in food production, processing, packaging, and storing, WFA endeavored to keep its requests realistic; in other words, adequate to support the war food program and yet not exaggerated in such a way as to conflict unnecessarily with other essential claims for labor and materials. Later chapters in this report give details of the action taken with regard to labor, machinery, agricultural chemicals, container materials, and other requisites in agricultural production. Here it suffices to note that following WFA representations of urgent farm requirements additional supplies of most things needed actually became available in the two fiscal years covered by this report. For example, final output of machinery in the last 2 years, though behind the authorized schedule, has been large as compared with past production. True, the demand has not been fully met, but the outlook is much improved.

Main Credit Belongs to Farmers

Main credit for the efficient, expanded, and properly balanced wartime food production goes to the farmers. They have applied science, skill, energy, and overtime hours to the job and have been ingenious and successful in making out with scarce facilities. Prepared for cooperative endeavor by prewar experience, they have produced needed crops as nearly as possible in the proper quantities and proportions, through programs adapted and applied to individual farms throughout the country. Undoubtedly, when fully recorded, the farm production phase of the national war effort will rank high among all types of war activity.

SUPPORT PRICES, JULY 1943–JUNE 1945

The commodities for which prices have been supported in the last 2 years include most of the principal crops sold by farmers, except fresh fruits and vegetables, and all important livestock products except cattle, calves, sheep, lambs and broilers. Altogether, the commodities for which support prices were in effect accounted for about 70 percent of cash income received by farmers from marketings. The list of commodities has changed from time to time as the need for agricultural products in the war effort changed. For example, price supports on castor-bean seed terminated with the 1943 crop and supports for hemp straw and hempseed ended with the 1944 crop.

The primary purpose in supporting prices of agricultural commodities was to stimulate needed production by assuring the farmers at or before the beginning of the production season that they would receive a definite price when the product was marketed. The commodity loans made primarily for the purpose of supporting prices also helped to stabilize marketing, especially at times when normal marketing facilities were not available or were inadequate. This stabilizing influence of the support prices was important in the case of some of the grains when bumper crops in 1943 and 1944 overloaded storage and transportation facilities.

Some commodities, such as fruits, milk, and livestock feed, are normally utilized in several ways, and one of the functions of support prices for processed fruits, dairy products, and livestock products has been to guide the utilization of these products in accordance with war needs. This can be illustrated by milk, the production of which on farms has been encouraged by direct payments to farmers and the utilization of which has been influenced in part by changes in the prices realized for milk utilized in producing butter, cheese, evaporated milk, dried skim milk, and other end products.

Main Features of Price Supports

The level at which prices have been supported has varied from time to time and from commodity to commodity, partly in response to changes in legislative requirements but mostly because the needs of the war effort dictated different price stimuli for the various commodities. The range in the support prices during this period was from 85 percent of parity for the 1943 crops of corn and wheat to more than 200 percent of parity for 1943 and 1944 crops of dried peaches.

The method of implementing the support prices also has varied; loans, purchases of raw products, purchases of processed or derived products, and direct payments to farmers all being used, sometimes alone and sometimes in combination.

The most outstanding development in price-support operations during this 2-year period was the program of direct production payments to dairy farmers. A program for supplementing market returns for dairy products was announced in September 1943 and payments began late that year on sales of milk and butterfat made after October 1. These payments, made through the county offices of the Agricultural Adjustment Agency, have proved to be a very flexible and adaptable instrument for encouraging increased production of milk without changing the very complex system of prices paid by consumers for dairy products.

The rates of payment were set higher during the winter season, when costs for feed are higher than during the flush season. When a severe drought dried up pastures and reduced hay and feed production in several Southeastern States in the summer of 1944, a special drought supplement was added to the previously announced payments in the affected counties and the higher winter rates were made effective earlier than originally planned. With the return of normal weather and feed conditions in the spring of 1945, the drought supplement payments in this area were eliminated. Without this flexible program, the output of milk in the affected area would have been appreciably smaller and some liquidation of dairy stock might have occurred.

The support prices, of course, have not worked alone; support prices and production goals have necessarily worked together. The combination of support prices and production goals, by telling the farmers what was needed and by furnishing assurance of minimum prices for the needed output, led to an expansion of agricultural production during this war which was greater than any increase in production ever before experienced by American agriculture in the same length of time. Year after year the output and the income of American farmers have increased and set new records.

Effect on Production Pattern

Although the production has not always changed from year to year exactly in accordance with announced desires or the needs of the war effort, the general production tendencies have been in the right direction and the over-all result has been a supply of food large enough to supply our own armed forces generously, to furnish huge quantities of very essential foods to our allies, and to permit American civilians to enjoy a diet of higher nutritional value per person than before the war.

One of the incidental results of the support-price experience during this war is a legal provision for price supports during the postwar transition period. This provision is designed to give farmers a reasonable period for readjusting agricultural production to a peacetime basis and has been an important background factor in the wartime support price program, as the farmers have been thereby assured against the hasty withdrawal of support prices at the end of the war.

FARM PRODUCTION

Farmers of the United States set a new all-time production record in each of the war years, up to and including 1944. The Government first requested increased production in 1941, with emphasis on hogs, dairy products, eggs, poultry, and canning vegetables. A production pattern, set forth in production goals, was established for each succeeding year. The farmers' response to these requests for the volume and kinds of food, fiber, and oils needed in the war effort has resulted in production surprisingly close to the goals. As previously mentioned, production for sale or home consumption in 1944 was 38 percent more than the average for the prewar years 1935–39.

The acreage of goal crops planted or grown increased from 348 million as an average for 1935–39 to 354 million in 1944. From the beginning, the crop pattern showed many shifts as well as increases. Yields per acre increased as a result of favorable weather, better farming practices, and a wartime demand that called for maximum effort on the part of farmers. Thus the increase in production exceeded the increase in acreage. Record productions were attained for dry edible beans, dry peas, flaxseed, soybeans, peanuts, corn, wheat, potatoes, and burley tobacco.

Changes in war requirements necessitated changes in emphasis on different crops from time to time, and revisions in goals programs. The first need in the wartime food program was to convert feed reserves into food supplies. Greater emphasis was necessary on the need for direct food crops, particularly dry beans, dry peas, rice, and potatoes. Tremendously increased production of oil-bearing crops was imperative to meet increased needs and to offset reductions in imports from the Far East.

Obstacles That Were Overcome

Limitations in the supplies of labor, machinery, fertilizer, and supplies called for efforts to get the most from the available resources. Labor, materials, transportation, and other facilities needed to be concentrated on the production of most essential crops. This country was not able to produce all the food and fiber desired and it was necessary to emphasize the products that could contribute most to wartime needs. Working out production goals was a problem in the balancing of needs against production facilities.

Getting wide recognition of the need for more production facilities was part of the war food job, as a later chapter of this report will show in more detail. Emphasis on direct war uses for labor and materials tended to divert attention from the agricultural need. Efforts to improve the farm facilities situation brought results. For example, the authorized 1943 manufacture of machinery was doubled in 1944 and was at 80 percent of 1940, and the machinery production order was announced four months earlier than in the preceding year. This facilitated better planning of production, distribution, and rationing.

Price supports and incentive payments for critical war commodities brought increased production of these commodities and helped to get the right balance in production. The dairy feed payment program, for example, was undertaken to compensate for increases in the cost of dairy feeds and was followed by substantial increases in production.

Difficulties developed in marketing the large potato crops and the 122 million pig crop of 1943. Production of potatoes on an acreage 6 percent above the goal was 26 percent greater than that of 1942 and was the largest on record. Domestic disappearance was at the rate of 122 pounds per capita. Large quantities were taken by noncivilian claimants, but the quantity used for feed and losses totaled approximately twice the normal percentage. Slaughtering facilities and storage were the chief limiting factors in handling the volume of hogs.

Changed Feed Situation After 1943

By the end of 1943, the feed situation had changed. The stock pile of feed grain reserves was used up; the United States had a greater number of livestock than could be fed from the feed supply in sight. Greatly increased livestock numbers and abnormally heavy feeding rates made feed supplies in 1944 about 11 percent smaller per grain-consuming animal unit than in 1943. A major problem of balancing livestock output with available feed supplies had to be solved.

It was not possible to increase feed crops substantially and still maintain needed acreages of oil crops and direct food crops. Therefore, it became necessary to balance livestock production with the feed supplies that could be produced.

Because wheat was used for feed and in the alcohol program and because large increases in requirements for food uses for military and relief feeding appeared likely, the wheat acreage goal was greatly increased in 1944. WFA recommended that wheat should be grown wherever it would return more feed per acre than other crops.

Before the war direct controls on agricultural production had been in effect. They were gradually relaxed until in 1943 allotments were effective only for cotton and tobacco. Allotments were retained for these crops as a means of checking undue expansion in them at the expense of food and feed crops. By 1944, the only controls remaining were marketing quotas on two types of tobacco, authorized by Congress to encourage greater food production.

In 1944, for the first time in the three war years, production goals were not revised. Special emphasis, however, was placed on achievement of the goals for certain strategic commodities. In a check-up in February 1944, indications were that the goals would not be reached for some strategic commodities unless steps were taken to increase their output above existing plans. The commodities involved were: oil crops, dry beans and peas, potatoes, seeds, feed supplies, milk, poultry, and meat animals.

Specific Aids to Goals Effort

The following specific actions were taken in an attempt to improve the opportunity to meet the goals for these commodities:

1. Support prices were increased for soybeans, peanuts, and Red Kidney beans.
2. Dairy production payment rates were increased.
3. A program was undertaken to stimulate use of nitrogen on pastures and hay crops in order to produce more forage to relieve the feed shortage.
4. Additional emphasis was placed on the use of educational campaigns to encourage attainment of goals for critical commodities.

By the beginning of 1945, the physical job of producing one-third more with 10 percent fewer people on farms was placing farmers under greatly increasing strain. But the time for relaxing had not come. Continued high agricultural production was necessary. Production goals were more selective than in previous years, with some additional recommended shifts in the pattern of production. It was more important than ever to have as nearly as possible the balanced production pattern represented by the goals, so as to avoid serious shortages on the one hand and marketing difficulties on the other.

Hence the 1945 goals called for 364 million acres of cultivated crops and hay, nearly 3 percent more than the 1944 planted acreage. They also called for increased milk production, a larger slaughter of beef cattle, and increased pig farrowings.

Changes in the requirements for various commodities resulted from time to time from the progress of the war. Naturally, these changes necessitated corresponding changes in goals and programs.

For example, in 1943, requirements were high for long-staple cotton and for hemp. Acreage of hemp fiber increased from a prewar base of less than 10,000 acres to 178,000 planted in 1943. Acreage in 1944 was approximately 70,000, with further reductions in prospect for succeeding years. Changing war conditions reduced the need, with the result that in 1944 no goals were established for these commodities.

Among the direct food crops the acreage and production of dry peas showed the greatest percentage increase in response to increased needs. For the years 1942–44 production averaged 350 percent of the prewar years 1935–39.

Marketing difficulties which had developed in handling the large potato crop and pig crop of 1943 were an obstacle in securing maximum production of these commodities in 1944. Surpluses of onions, cabbage, and carrots developed in 1944; also seasonal marketing difficulties in eggs during the peak production. Proportionately, however, the maladjustments were minor.

The Story by Main Commodity Groups

Here is a thumbnail history of farm production during the war years so far:

Meat Animals and Feed Grains

Increased production of pork, along with dairy products, eggs, and poultry, was requested in 1941, a year earlier than the establishment of goals for all major commodities. Rapid increases in livestock production were made in response to the price stimulus and to appeals to meet military and lend-lease requirements. Production of hogs, which could be increased more rapidly than other meat animals, was 52 percent over the 1935–39 average in 1942 and in 1943 was 77 percent above the prewar average. Marketing difficulties developed in handling this number of hogs. The 1944 goals called for a 15-percent decrease in the total pig crop to bring livestock numbers in balance with feed resources. Farmers, however, made even greater reductions in farrowings, so that the 1944 pig crop was about 87 million pigs or 29 percent below 1943. This drop, together with increased military requirements that later developed foreshadowed the 1945 civilian meat shortage. Goals for 1945 call for an increase in fall farrowings. The fall pig crop goal of 37 million is 18 percent higher than the number of pigs actually raised in the fall of 1944.

Numbers of cattle and calves were at high levels at the beginning of the war years, reaching an all-time high of more than 82 million head in 1944. Emphasis was placed on increased slaughter of beef. Cattle and calf slaughter was 12 percent over the 1935–39 average in both 1942 and 1943 and increased to 37 percent over this average in 1944. Numbers of sheep and lambs declined with heavier slaughter.

Animals to produce a total of 22 billion pounds of meat, dressed weight, were marketed in 1942 and 24 billion pounds in 1943. This compares with about 16 billion pounds during the prewar period, 1935–39. Marketings of meat animals were up slightly in 1944 because of increased marketings of cattle and calves, which offset decreased marketings of hogs.

Reserve feed grain supplies, which had been largely responsible for the increased volume of livestock and livestock products marketed in 1943 and 1944, had been used up and the inevitable corresponding adjustment in livestock numbers had taken place by 1945. Feed grain goals for 1945 were again established at the full production levels.

A major problem developed in the distribution of protein feed during the latter part of 1943 and continued into 1944. Due to the greatly increased livestock numbers, a program was undertaken by the WFA to insure maximum production and equitable distribution of proteins.

The problem of securing adequate feed grains for the large numbers of livestock on hand in the feeding year 1943–44 was further heightened by the need for maintaining a high output of industrial products made from corn. The starch program was the chief concern together with the industrial alcohol program. The CCC undertook a purchase program to secure the quantity of corn needed to maintain these industries at the necessary level of production.

Dairy Production

Dairy production, which was 11 percent over the 1935–39 average in 1941, was stepped up to 15 percent over this average in 1942 and was maintained at about this level for the next 2 years.

The goal for milk production in 1944 was increased over the 1943 production in face of decreases in goals for other livestock, because of the value of dairy products in supplying vitally needed nutrients and because dairy cows utilize feed and other productive factors efficiently.

Problems in dairy production have been dealt with, involving feed-grain and protein shortages and shipments of hay to relieve drought areas. Along with the expansion of dairying, it has been necessary to develop increased facilities for converting milk into the products most needed, especially cheese and concentrated milk. The War Food Administration has offered necessary price supports and encouraged the milk-processing industry in other ways. It has encouraged greater production of cheese and endeavored to improve conditions for the production of condensed, evaporated, and dried milk. Production of milk is at goal levels at the present time.

Oil Crops

The greatest increase in acreage and production as a percentage of the prewar years 1935–39 was in the oil-bearing crops (soybeans, flaxseed, peanuts), reflecting the wartime demand for these crops. The acreage of soybeans harvested for beans for the years 1942 through 1944 average 340 percent of the prewar years 1935–39. Flaxseed acreage reached a high of 325 percent in 1943 and averaged 240 percent of prewar acreage. The acreage of peanuts picked and threshed increased over 100 percent.

Acreage goals for 1945 for these oil crops call for maintaining this high level of production.

Sugar

Although the United States continental producing areas have normally supplied only about one-third of our sugar, an attempt was made in the production-goal program to secure maximum production of sugar from beets and cane. The goals established each year were at the maximum, considering production capacity and demand for other needed commodities.

Because of labor and other production problems, actual production of sugar from sugar beets was considerably below the goals in both 1943 and 1944.

High goals for these sugar crops have been continued for 1945, and special efforts are being made to insure their attainment.

Over-all Procurement

The magnitude of the WFA task can be measured only generally by a résumé of over-all procurement of foods under commodity-purchase programs for lend-lease and other Government uses. In the 1943–44 fiscal year, for example, WFA purchased about 13,000 million pounds of food items, the f. o. b. cost of which was approximately, 2,905 million dollars. During the past fiscal year, 1944–45, WFA purchased 11,000 million pounds of food, at a cost of 1,362 million dollars. WFA's food bill during the past year averaged $3,784,115 daily.

To coordinate the huge procurement operations of the Government and to prevent competition between procurement agencies, practically all foodstuffs are purchased by the Army and the WFA. These agencies then transfer supplies to other agencies to meet requirements as needed. WFA and the Army confer closely on planning and scheduling the purchasing and handling of stocks.

A major WFA purchase policy has been to examine procurement programs so as to bring them as closely as possible in line with actual known requirements and necessary working stocks. Procurement during the period covered included, chiefly, dairy and poultry products, meats, fish, fats and oils, fruits and vegetables, grains and cereals, seeds, vitamins, miscellaneous foods, and certain nonfood items.

When over-all procurement responsibilities are translated into their various components, the size of the job becomes more apparent. Over-all procurement means more than the purchase of commodities to meet supply programs. It includes the development of processing technics, packaging, processing facilities, standardization and inspection, administration of food orders, recruitment of labor, shipping and storage.

THE WAR FOOD DISTRIBUTION JOB

From the start the War Food Administration has faced the paradox that military successes may mean temporary worsening of the food situation. It was evident before our victory in North Africa, for example, that some food for civilians would have to go there. Our armies had to take food for civilians along with them into Sicily, Italy, France, the Balkans, and the Orient.

Supplies available to the United Nations increased greatly as the war progressed, but requirements increased still more. It was never possible to provide all the food that those dependent on our production would have liked to have. Constantly, because food production competed with the production of other things needed in the war effort, the requirements had to be scaled down.

Allocation to assure that the foods available went to meet the most essential needs was thus a basic operation in the distribution job. Machinery for establishing the allocations included representation in an advisory capacity of all the United States agencies that were claimants for food. Subcommittees composed of commodity experts helped. These experts, within a general policy laid down by the War Food Administrator, adjusted requirements to prospective supplies in the manner deemed best calculated to promote the total war effort, with priority given to the requirements of United States armed forces.

Generally, the military and other war services, including those of our fighting allies, received the quantities needed for their requirements. Next came the United States civilian claim, and then the civilian requirements of our allies. The last was met to the extent that supply, shipping facilities, and other critical factors permitted. In 1944 United States military requirements took about 13 percent of the total supply, requirements for our allies and other special needs took another 7 percent (table 1). Because of increased production, the remaining 80 percent still furnished civilians a higher level of consumption than prewar—but lower than they would have liked to buy with their expanded purchasing power.

TABLE 1.—*Wartime distribution of United States food supplies*

Claimant	1935–39	1941	1942	1943	1944	1945 [1]
	Percent	*Percent*	*Percent*	*Percent*	*Percent*	*Percent*
United States civilians	97	94	86	80	80	77
United States armed forces [2]		2	7	11	13	16
WFA purchase for lend-lease, etc		2	6	8	6	5
Other exports and shipments	3	2	1	1	1	2
Total	100	100	100	100	100	100

[1] Estimated, May 1945.
[2] Includes military relief feeding.

Bureau of Agricultural Economics; Marketing Analysis Division, Market Facilities Branch, Office of Marketing Services.

Basis of Approved Requirements

Approved requirements represented an estimate, not of demand, but of claims essential to the prosecution of the war. For example, the requirements for United States civilians covered sufficient food to maintain their health, vigor, and morale, but in meats and some other items not enough to supply all that civilians wanted and were able to buy at ceiling prices. For most commodities the amounts were adequate to permit satisfactory distribution under rationing.

It was a responsibility of the War Food Administration to assure to various claimants the supplies that had been promised. This involved actual Government procurement of foods for the Army, for lend-lease, and for some other claimants, along with some control over processing and distribution. Besides rationing, in which WFA cooperated with OPA, the control system included the use of set-aside orders, the restriction by quotas of commercial sales of certain commodities, special restrictions on the uses of some foods, and occasionally the prohibition of nonessential uses. Some raw materials had to be specifically directed into special manufactured products needed for the war.

Maintenance of sizable operating inventories was necessary; also close coordination of WFA buying with Army buying. Planning the distribution pattern called for analysis of production prospects, withdrawals from stocks from time to time, and coordination of our distribution with that of the other United Nations. As a hedge against inadequacies, WFA accumulated reserves in strategic locations, and carried some working stock piles at the maximum level of safe turnover. As nearly as possible it adjusted its operations to the ever-changing world situation, though with full recognition that forecasts could not be reliable. It was never possible to coordinate operations neatly with the emergence of new requirements, largely because it was not possible to predict the course of the war. For example, the damage done by our invasion of France and our bombing of communication lines added unpredictably to relief requirements. The availability of shipping varied with military developments and influenced the food distribution pattern.

WFA Assistance to Processors

WFA has also encouraged the creation or expansion of industries that make special processed and packaged foods for war uses overseas. Achievements with many products, such as dehydrated foods, canned meats, various enriched or reinforced food products, citrus concentrates, and vitamin preparations, have been spectacular (table 2). The high output of these concentrated foods, which provide a maximum of vital nutrients in minimum shipping space, has played an important part in provisioning our armed forces and our allies overseas. Notable, too, have been the developments in food packaging. For example, containers have been devised that preserve food safely even where it has to be floated ashore with tropical invasion forces.

Table 2.—*Dehydrated and concentrated foods for war use, increase in United States production, 1940 to 1944*

Product	Unit	United States production	
		1940	1944
Milk, edible nonfat, dry milk solids	Million pounds	322	584
Milk, dried whole	Million pounds	29	172
Eggs, dehydrated	Million pounds	7	321
Vegetables, dehydrated	Million pounds	[1] 8	[1] 225
Meat, canned	Million pounds	755	2,234
Pork, dehydrated	Million pounds	----------	13
Orange juice, concentrated	Million gallons	[2] 1.7	[2] 3

[1] Fiscal years starting July 1, 1940 and 1944.
[2] Estimated for crop years 1941–42 and 1944–45.

Bureau of Agricultural Economics; commodity branches and Marketing Analysis Division, Marketing Facilities Branch of Office of Marketing Services.

Problem of Container Materials

Wartime shortages of tin, paper, fabric, and wooden container materials have added to the difficulties of food processors. It has been necessary to allocate these materials carefully to the strictly essential uses, and to encourage the re-use of them as much as possible. WFA has conducted extensive programs to economize the materials. Also it has cooperated with WPB in reviewing allocations and determining priorities for food-processing machinery, and has taken part in arrangements to provide imported labor and prisoner-of-war labor to food processors. Technicians in WFA have worked with manufacturers to develop ways of stretching human and material resources, and of making some items do virtually double duty.

With requirements mounting constantly, processors ran into new problems almost daily. Transportation was a chronic difficulty; shortage of cold storage facilities taxed the ingenuity of food handlers; dry-warehouse space was at a premium. As fully as possible, WFA tried to foresee such critical problems and be ready with workable solutions, with the general object of keeping farm production moving steadily through all stages from the farm to the point of processing. The success of these endeavors must be measured from the standpoint of total war effectiveness. It is impossible to take any narrower basis, since, as mentioned, there was never a chance that supply could keep up with demand.

Ascertaining Rationing Needs

In its cooperation in the food rationing program, WFA's responsibility concerned the determination of the foods that should be included. As everyone knows, the rationing program was essential. Mainly, the need sprang from the fact that civilians with their tremendously increased buying power wanted more food than could be made available to them. It has been estimated, indeed, that at controlled prices and with rationing not in effect, civilians would have bought practically all the food production of the farms. In deciding as to rationing requirements, WFA took into the account the entire pattern of the war food requirements and consulted the other major war agencies. As much as possible, it sought to minimize the restrictions on civilian consumption, and in fact was able to provide more food for civilians than they had before the war (table 3). Naturally,

TABLE 3.—*Wartime civilian food consumption*

[Index of Per Capita Consumption of All Food and Major Kinds of Food: 1935–39=100]

Foods	Per capita civilian food consumption [1]					
	1940	1941	1942	1943	1944	1945 [2]
All foods	102	104	104	106	110	103
Dairy products (excluding butter)	105	109	117	116	122	122
Eggs	106	104	104	116	117	122
Meats, poultry, and fish	108	110	109	110	115	100
Fats and oils (including butter)	109	106	100	99	100	80
Fruits, fresh and processed	108	110	93	67	105	102
Vegetables, fresh and processed	103	109	115	107	109	106
Potatoes and sweetpotatoes	96	94	95	98	97	89
Beans, peas, and nuts	106	109	121	111	106	105
Flour and grain products	100	101	104	107	106	107
Sugar and sirups	97	107	100	89	98	85
Coffee, tea, cocoa, and spices	108	112	91	87	104	107

[1] Index numbers of retail weight equivalent, weighted by 1935–39 average retail prices. Consumption of total population in 1940; civilian only in 1941–45.
[2] Estimated, June 1945.

Bureau of Agricultural Economics; Marketing Analysis Division, Marketing Facilities Branch, Office of Marketing Services.

this was not equally true for all items. On the contrary, some of the most keenly desired foods bacame scarce for civilians; but the inconveniences they suffered were a small price for the compensation they received, namely, the assurance that American food was helping tremendously to win the war. Regular and invaluable cooperation has been received through an extensive system of local and national advisory committees. Problems common to Government agencies and to processors have been studied and worked out jointly.

The War Food Administration has given special attention to the food consumption of school children, industrial workers, and persons who must have certain foods for medical reasons. It has continued a program, started before the war, to provide lunches and milk to school children, and has encouraged the provision of in-plant feeding facilities for workers in war industries. Such facilities are available to some 7 million workers, as compared with 2 million in 1940. Educational measures undertaken by WFA have included a program to help consumers adapt their diets to wartime conditions, and to make maximum use of foods in plentiful seasonal supply.

Distribution Difficulties Continue

The wartime food distribution job, which thus far has been beset with difficulties, will likely continue difficult for the duration. With facilities of production and distribution definitely limited, while demand continues to soar, it cannot be otherwise. Post-VE-day releases of some types of labor and materials cannot offset the heavier post-VE-day increase in the burden on transportation and in food requirements. Transfer of our main strength to the Pacific means supply lines threefold longer. The cessation of hostilities in Europe means higher humanitarian and political prorities for delivery of food supplies to Western Europe.

Yet the outlook is not gloomy. Encouraged by carefully planned incentives, food production continues at record levels. Our food distribution programs have been developed to make the best contribution to the war effort and to meet United States responsibility to the various claimant groups. Hence from now on, the task will not be only one of initiating and developing suitable methods and procedures, but of adjusting and perfecting those in use. Total food production may have to be "stretched" to cover larger needs; but the burden will be minimized through constantly improving food distribution.

Inventory Control

The magnitude of WFA's procurement activities and the complex nature of the supply program for the armed forces and other essential use requires the maintenance of sizable inventories of food. In addition, the uncertainties of various requirements, irregular availability of shipping space, and the indefinitely anticipated needs for feeding occupied territories, require continuous reserves of food to provide for special needs. General contingency reserves of certain staple commodities like dry peas, dehydrated vegetables, dried fruits and canned fish, have represented sizable percentages of the allocable supply of food. The Government actually purchases these commodities for reserve only when it becomes necessary to make sure of their availability. They are over and above the specific operating reserves provided for in allocations to individual agencies. Furthermore, in periods of heavy supply, certain commodities are bought in excess of current requirements.

STORAGE AND TRANSPORTATION

Incident to shipping and storage, one of the most difficult problems has been inventory determination and control. With the rapidly mounting deliveries of food for lend-lease and other war supply programs—increasing from 372,872 long tons in the 1940–41 fiscal year to 5,704,227 long tons in the 1943–44 fiscal year—it became apparent that improved methods and greater facilities would be needed for keeping a close and rigid account of food on its way from farm to battle front. This meant safekeeping of commodities in storage and in transit, expeditious delivery of commodities in good condition to ports or other destination, adequate inspection of warehouses, improved reporting of shipments, loadings, and in-storage movement, and other factors.

The first accurate survey of the situation became available in 1944, when a general inventory was obtained. It pointed up the inventory activities which required improvement. In the subsequent period, to bring about this needed improvement for controlling the flow of commodities, WFA took measures to:

1. Obtain better reports from warehousemen and vendors on commodities held by them, what they had received, and what was ready for shipment.
2. Coordinate the movement of food shipments to ports and port loading in order to eliminate holding food in cars at these points.
3. Obtain more complete inspection of commodities in cars at unloading points before they were loaded on ships at port.
4. Increase the out-port inspection offices and staffs in order to maintain daily reports covering the amount of food on track and the amount lifted, and to help eliminate food spoilage by putting back into storage food not lifted.

5. Separate inspection staffs so that food in storage for lend-lease shipments would be given adequate and prompt inspection.

6. Reduce food spoilage by obtaining authority to order reconditioning of warehouses and to eliminate unsuitable storage.

These and other measures promoted more efficient control of WFA inventory stocks during the 1944 and 1945 fiscal years. Currently, other means are being investigated for improving methods of inventory valuation, inventory and accountability procedures, recording of inventory acquisitions and dispositions, records of fulfillment of orders, and other program controls.

WFA Storage Activities

WFA's storage activities have been predicated on the procurement of storage based on requirements, provision for the most advantageous location from the standpoint of the claimant's demand and warehouse economy, and efforts to make commodities available for meeting immediate and urgent needs. Previous to July 1, 1943, the warehousing program was relatively small. But with the growth of the WFA procurement program, and the greatly increased production of perishable foods in 1943 and 1944, together with the interruptions in orderly movement of wartime supplies out of the country due to fluctuations in shipping, storage became an extremely vital part of the war food program.

Here is a picture of the increase in WFA lend-lease storage and shipment activities: During the 1944 calendar year from 35,000 to 49,000 carloads of commodities were in storage at any one time in some 1,500 warehouses throughout the country. This compared with from 20,000 to 35,000 carloads on the same basis in 1943. This is indicative of the demand for storage of all types.

During both 1943 and 1944, extremely tight situations developed in the storage of both freezer and cooler commodities, while dry storage was less critical. In 1943, because of light liftings, large stocks of Russian types of meats were accumulated in storage facilities of the country. The armed forces were assembling large inventories, and WFA was building up quantities of perishables for lend-lease.

Furthermore, large quantities of early potatoes were moving into storage as a result of WFA's price-support commitments. These perishable commodities were accumulating at a time when there is normally a large seasonal in-movement of cooler products. The accumulation taxed the country's facilities. A similar situation existed in

1944. War food supply programs were stepped up, there was a record slaughter of meat, and also a record production of eggs that called for additional storage. Further, for a considerable period in the spring of 1944, previous to the invasion of Europe, there was an extensive break-down in shipments of food out of the country.

Construction and Conversion of Storage Space

While there were limitations on the use of materials and facilities for construction of new cold-storage space during both 1943 and 1944, there has been a total wartime expansion of 37 million cubic feet of cold-storage space, in addition to expansion provided by the armed forces. The increase in cold-storage space was brought about partly by construction of new facilities, and partly by conversion of dry storage to cooler and freezer storage, and cooler storage to freezer storage.

The expansion has been made in areas where space is most critically needed. To provide flexibility in the use of the new facilities, much of the space has been constructed so that it can be used at either freezer or cooler temperatures.

Since materials for building new storages were limited, it was necessary to take other measures to protect the supply of perishable food. These measures, both voluntary and otherwise, were designed to (1) make more efficient use of all available refrigerated facilities, (2) regulate the use of cold-storage space, and (3) convert and expand cold-storage facilities.

To accomplish these objectives, emergency facilities were brought into use. Warehouses used for seasonal products, such as apple houses and ice storage houses, were encouraged to take other products when their occupancy was low. Millions of pounds of lard, cured meats, and eggs were stored successfully in such space. Other measures included the speeding up of processing to reduce the time unprocessed products need to remain in storage, the conversion of cooler storage space to freezer storage, and the establishment of information centers throughout the country to furnish persons wishing to store products with information on unoccupied space. Information was collected twice monthly on the occupancy of refrigerated facilities, tabulated, and supplied to the armed services and others who could make use of it. Close contact was maintained with the industry through a Refrigerated Warehousing Industry Advisory Committee, set up to consult and advise on storage problems.

Inter-Agency Cold Storage Committee

In the winter of 1943–44,when the heavy run of pork and a decline in shipments of perishables abroad created a tight freezer situation, the various Government agencies interested in cold storage were faced with a common problem. Some were seeking storage space for their particular products; some had a responsibility for taking care of the country's food; and others had transportation problems. It became apparent that more could be achieved if their efforts were coordinated. Consequently, an informal committee was set up known as the Inter-Agency Cold-Storage Committee. The Committee was made up of representatives from the following agencies: War Department, Navy Department, War Food Administration, War Production Board, Office of Defense Transportation, Office of Price Administration, and the Department of the Interior. This Committee has served as a clearing house on cold-storage information as a policy-formulating group for handling common problems and as an advisory group to the representative action agencies when their individual cold-storage problems affected other agencies or the over-all cold-storage picture.

While voluntary programs were of valuable assistance in meeting cold-storage emergencies they alone were not adequate without some formal restriction measures. Accordingly two cold-storage orders were issued to prohibit refrigerated storage of products that could be kept in dry storage. They also limited the time during which space could be reserved prior to the time the merchandise was received. Limitations were placed on the length of time any commodities could remain in cold storage. This aided in speeding up the processing of products into forms which could be held without refrigeration.

Dry-storage problems in the main have not been so acute as cold-storage problems.

However, as early as 1942 it became necessary to take steps to provide extra storage for grain. This program encouraged the holding of grain in farm storage, expansion and efficient use of all existing storage space, use of emergency storage space and control of the movement of grain from farm to market. Market storage committees were created in 18 of the principal markets to deal with local problems of transporting and storing grain. These committees developed current reports regarding space and plans to handle emergencies. Permit committees were appointed in 22 markets to regulate the flow of grain into the markets. In 1943 this program was broadened to include rice and soybean markets where new permit committees were established.

Transportation

The War Food Administration shares with the Office of Defense Transportation the responsibility for providing adequate transportation for food and agricultural products and for determining priorities to protect essential shipments.

Throughout the war period the railroads have borne the major burden of domestic transportation with a greater load of food and agricultural commodities to handle, and with a reduction in rolling stock. In the calendar year 1943, the tonnage of food and agricultural items originated by Class I United States railroads was 65 percent more than in 1940, while on all freight—including products of agriculture—the increase was 47 percent. In 1944, the movement of certain agricultural products increased over 1943. Livestock loadings in 1944 were 892,000 carloads—6 percent over 1943. Fruits and vegetables, with an estimated 972,000 carloads, showed an increase of approximately 14 percent over 1943. For perishable food products as a whole, including fruits and vegetables, the 1944 movement approximated 2,121,000 carloads—12.5 percent over 1943. On the other hand, shipments of grain and grain products—2,521,000 cars—represented a decline of only 5 percent.

In both 1943 and 1944, the increase in the tonnage of freight and heavy military and lend-lease demands lengthened the average haul. Another contributing factor to the tight situation was the decline in refrigerator cars available for service. In 1942 there were 142,380 refrigerator cars; the number has declined to 138,410 in 1945. Lack of refrigerator cars presented acute problems during both 1943 and 1944. There were temporary shortages of boxcars during both 1943 and 1944, but they were of shorter duration last year. At present the number of boxcars is 739,234—some 6,142 units less than a year ago, and 17,639 less than in 1943. The tank-car situation likewise was also tight during the past 2 years, and remains so currently.

In the face of manpower shortages and shortages of irreplaceable equipment, specific measures had to be developed to handle the greater quantities of food and agricultural products for shipment.

Saving in Use of Transportation Equipment

In conjunction with the railroads and the Office of Defense Transportation a program was developed to obtain a 10-percent saving in use of transportation lines and equipment. Shippers were encouraged to load and unload cars more promptly. Products that did not require refrigerator-car protection were required to be moved in boxcars. Restrictions were placed on car diversions and the length of time cars could be held. Other steps were taken to improve operating efficiency and to insure that all necessary demands for refrigerator cars were met before such cars were used for handling nonperishable commodities. Also included in these measures was heavier loading of cars hauling some types of commodities, such as cotton and grain. WFA also improved its billing procedures to avoid undue holding of cars by vendors awaiting receipt of billing. A system of transportation priorities was established in cooperation with ODT to govern the use of refrigerator cars. The present situation requires continuance of this system.

Rail facilities were supplemented by other means of transportation, notably through the Great Lakes waterway. For example, in 1943 a need for movement of a minimum of 160 million bushels of grain on the Great Lakes was foreseen. Joint WFA-ODT efforts resulted in the movement of 200 million bushels. During late 1943 and 1944 considerable grain was moved on inland waterways by use of barges.

Tank-car shortages also required action to assure available space for moving fats and oils. Conservation measures were adopted, tank-car movements were watched closely, and WFA and ODT cooperated in managing car allocations to meet all needs.

The WFA has acted as claimant agency before ODT and WPB for transportation of all farm and food products. WFA also carried similar representation to the Interstate Commerce Commission, Office of Price Administration, and the American Association of railroads. Annual savings amounting to millions of dollars were brought about by adjustments in freight rates on various commodities. Each case of proposed abandonment of rail lines was investigated to ascertain if the action would be detrimental to transportation of farm produce.

In spite of the fact that rail facilities could not be expanded and food production had increased tremendously, practically all commodities were handled without loss.

Transportation by Truck

Commercial trucks are vitally necessary to the movement of food and farm products.

New production of trucks in 1943 was negligible, but was increased by more than 96,000 in 1944. This, however, fell short of being enough to replace trucks that had to be retired because of age. The average age of trucks is now estimated to be approximately 8 years, with farm trucks somewhat older. Retirements, in spite of heavier replacement parts approved by WPB, will increase in 1945.

Most serious, however, is the short situation on heavy-duty tires. Since July 1944 heavy-duty tires have been distributed through the Office of Price Administration on the basis of a priority list jointly prepared by WFA and WPB. Heavy-duty tires allocated since that time, in general, have been sufficient only to meet the needs of the most essential commodities and services. The priority system gives high preference to essential foods, such as perishables. Other food and agricultural products have lower ratings. The essentiality list applies to gasoline and parts for motortrucks as well as tires.

FARM LABOR

American industry and the Nation's farmers have this distinction in common—they both have set all-time records for production during this war. But there is this difference in their respective achievements: Industry has employed more workers than ever before. Farmers have turned out the vast quantities of food and fiber needed for war with fewer—not more—workers than they had in the prewar years. With 10 percent fewer workers on farms, food production by the end of 1944 had been increased more than one-third above prewar years.

Since 1940 the farm population has decreased more than 5 million, or 17 percent. Migration of more than 5 million farm people to cities, towns, and villages occasioned by the wartime expansion in nonagricultural employment has been by far the most important factor in this unprecedented population decline. About 1,200,000 farm workers—farmers and farm hands—went into the armed services. Added to this number were about 650,000 young men who, prior to entering the services, were living on farms but working at nonagricultural occupations or attending school. In addition, a large number of men and women transferred from farm to industrial occupations, though they continued to live on farms.

There have been some replacements in the farm work force, and these have come largely from within the farm population. According to employment estimates of the Bureau of Agricultural Economics, the average annual farm employment for 1944 was 10,037,000, compared with 10,585,000 for 1940, a reduction of 5 percent. In a breakdown of these estimates, BAE shows that operators and unpaid family workers in 1944 averaged 7,810,000, 3 percent under the 1940 average, while the average of 2,227,000 for hired workers last year was 13 percent below the 1940 average.

Total farm employment each month in the first half of this year has been lower than for the corresponding month of 1944. It has averaged 9,077,000 for the first half of the year, compared with 9,263,000 for the first half of 1944, a drop of 3 percent.

Along with the numerical decline there has been a drastic change in the composition of the farm-labor supply. Male operators and workers who have left agriculture for the armed services or industry have had to be replaced largely by women, youth, and retired men returning to active farm life for the duration of the war. The replacements have not, for the most part, had the stamina and skill of the men whose jobs they were called upon to fill.

Yet the output of our farms has increased, year after year, and in no year since 1940 has there been a significant loss of agricultural production that could be attributed to the labor shortage. How has this been possible?

Ways of Compensating for the Labor Shortage

To compensate for the loss of experienced, able-bodied manpower, the American farmer has worked more hours per day and more days per month, and has overcome the shortage of hired help in many cases through fuller use of family labor. Where a grown son or young hired hand has left the farm, the farmer has replaced him with an elderly man. He has used workers from the towns and cities. He has used foreign workers, prisoners of war, and other unusual types of labor. He has shared labor, machinery, and other facilities with his neighbors to a greater extent than in prewar years and devised ingenious ways of saving labor. Frequently he has let some tasks go, such as repairing fences and buildings, to concentrate on getting essential commodities produced and on their way to market.

Farmers have done much to meet their labor needs from their own resources. However, action needed to be taken—and was taken—to check the drain on farm manpower, mobilize all available workers in the local communities, bring in foreign workers, and transport both foreign and United States workers within States and across State lines to areas where local mobilization could not fully meet the need, set up and operate camps, and give the inexperienced recruits as much training as possible to fit them for farm tasks.

Since November 1942, when Congress passed the Tydings Amendment to the Selective Service and Training Act, many skilled men who otherwise might have been lost to the farm work force during the war have been retained in agriculture through occupational deferment. The Tydings Amendment provides that any registrant found by his local Selective Service Board to be necessary to and regularly engaged in an agricultural occupation or endeavor essential to the war effort shall be deferred until a satisfactory replacement can be obtained. Occupational deferment has been granted under this amendment to about 1,600,000 farmers and farm laborers between 18 and 37, inclusive.

Another measure which has helped to check the drain on farm manpower has been the War Manpower Commission regulation No. 7.

It requires that before a farm person can transfer to nonfarm employment, except for a temporary period not to exceed 6 weeks, he must be referred to a specific job by the United States Employment Service, or in accordance with an arrangement with the United States Employment Service. This regulation, which went into effect in the fall of 1943, has provided some measure of control over the transfer of workers from agriculture to industry. It is now being relaxed in areas where the manpower problem is no longer acute. Job transfers within agriculture and by persons desiring to leave their nonfarm employment to engage in farming or work on farms have not been restricted.

Farm-Labor Supply Program

The farm labor-supply program, provided for by Congress and jointly administered by the War Food Administration and the State agricultural extension services, is now well into its third year. Under this program, the State extension services and their county agents survey the farm-labor needs within their respective States, receive orders from farmers for workers, and recruit men, women, and youth for temporary, seasonal or year-round agricultural employment. These recruits make up what is known as the U. S. Crop Corps. Affiliated with the Crop Corps are the Victory Farm Volunteers, composed of youths 14 to 17 years of age, and the Women's Land Army, for girls and women 18 years of age and over.

The U. S. Crop Corps has made a substantial contribution to war food and fiber production. The 12,000 local farm-labor placement offices throughout the country placed 3 million different individual workers in some 5½ million temporary, seasonal and year-round farm jobs during 1944. Besides rural people and others with farm backgrounds, these workers included teen-age school youth, college girls, teachers, clerks, stenographers, housewives and businessmen.

For the first 4 months of 1945, the State extension services reported that 640,941 placements had been made. This was an increase of 52 percent over the 422,209 placements made in the same period of 1944. The period of peak demand for farm labor comes during June, July, August, September, and October.

In areas where local and intra-State recruiting campaigns do not provide sufficient labor, workers from other States, foreign workers, or prisoners of war are employed to supplement the local supplies.

The War Food Administration's Office of Labor, established June 21, 1943, has carried on the program initiated by the Department of Agriculture in 1942, of bringing farm workers from foreign countries. This year the Office of Labor is supplying the largest number of these workers to be transported to the United States since the program's inception. By June 30, foreign farm workers in the country under contract with WFA's Office of Labor numbered 95,137. They consisted of 65,633 Mexicans, 22,254 Jamaicans, 6,104 Bahamians, including 85 white Bahamian dairy workers, and 1,146 Newfoundlanders.

The largest number of foreign workers employed on farms at one time in 1944 was 94,649. They consisted of 67,860 Mexicans, 17,437 Jamaicans, 5,653 Bahamians, 908 Barbadians, 1,301 Newfoundlanders, and 1,490 Canadians.

These workers are brought to the United States under agreements between the Governments of this country and of each of the countries concerned. Each worker has a contract with WFA's Office of Labor, and growers or growers' associations contract with the Office of Labor for their employment. They are employed principally on crops requiring large amounts of hand labor and have been an important factor in meeting labor needs in certain critical areas.

Some farm workers of this country also have been transported interstate each year by WFA to relieve shortages in areas where not enough labor has been available locally or within the State to harvest certain crops. Last year the Office of Labor transported 11,322 domestic farm laborers interstate. Responsibility for interstate transportation was shifted this year to the Extension Service, which by the end of the harvest season will have transported 10,000 or more workers interstate.

Housing for Farm Workers

To supplement housing provided by agricultural employers or the State extension services, the Office of Labor last year operated farm-labor supply centers (camps) on 273 sites for 150,000 workers in 29 States. This phase of the labor program is being continued this year on about the same scale. Agricultural workers' health associations, operating with WFA funds, have provided free medical care in the last year to approximately 150,000 foreign workers and domestic farm workers living in farm-labor supply centers or in the vicinity of the centers.

Prisoners are being employed in agriculture this year in increased numbers. The War Department has announced that a peak total of 85,000 war prisoners will be used in contract work through July, as agricultural laborers. WFA will request an even larger number of prisoners of war for farm work in the peak of the fall harvest season. As of June 7, a total of 74,662 prisoners was reported from the States as available for agricultural work, with 63,753 actually employed. Last year approximately 65,000 POW's worked in agriculture.

The upward trend in farm-wage rates induced by the wartime demand for agricultural workers has continued this year to a new record. On June 1 farm wage rates were about double those paid 3 years ago. For the country as a whole monthly rates on that date averaged $81.30 with board and $93.10 without board. Daily wages were $3.65 with board and $4.16 without board. These were all record highs, except for wages per day with board, which were exceeded slightly in October 1944.

Wage-Stabilization Program

Under WFA's farm wage-stabilization program, administered by the Office of Labor and State WFA Wage Boards, 52 specific wage ceilings have been established to date covering 24 commodities or operations in the States of California, Oregon, Washington, Idaho, Arizona, Delaware, and Florida. The ceilings limit the wage rates paid to approximately 450,000 farm workers in particular areas of these States. Specific ceilings are established only after a majority of growers of a commodity in an area have requested WFA's intervention. In the absence of specific ceilings, an employer may increase wages and salaries of agricultural labor up to $2,400 a year without the War Food Administrator's approval, but the Administrator's advance approval is required to increase the wages or salaries of agricultural labor earning $2,400 a year or more, or to increase an agricultural employee's wage or salary from less than $2,400 to more than $2,400 a year. A number of applications for approval of wage or salary increases has been acted on by the Director of Labor, or by the State WFA Wage Boards, to which this authority has been delegated.

THE "TOOLS" OF FOOD PRODUCTION

The War Food Administration has acted as official claimant for the scarce materials and facilities needed for all food production, processing, packaging, and storing.

A claimant has an important, and difficult, function in the system for apportioning materials and facilities to the various segments of the war economy. As claimant for just one segment of the economy, it is a special pleader. It must, in a sense, compete with the other segments—including the military—and must present its legitimate claims persuasively and successfully. Yet it must recognize that the purpose of the claims—of the whole apportioning procedure—is to expedite the prosecution of the war. It must recognize that the military alone often needs more material than is available for the entire economy. Thus, like any other properly functioning governmental unit, the claimant agency must represent the whole people—the total public welfare—and not merely the interests of its economic segment.

Sound public policy has dictated that the War Food Administration keep its claims realistic at all times, neither too small to support the food program nor exaggerated in such a way as to conflict needlessly with claims of other war-supporting industries or the military services.

It has not been easy to carry out such a policy while kaleidoscopic changes were occurring in both war requirements and supplies of materials.

Producers have needed more equipment and materials either to lighten their work load or, in some cases, to increase their output. Recognizing that more production "tools"—referring to all supplies needed in the food program as tools—would mean more food, the WFA has often found itself in disagreement with final decisions as to the apportionment of supplies. At the same time, the WFA has recognized that public buying power and convenience are interwoven with individual conceptions of "war necessity." Only the long, historical view can show whether more food tools for the production of food should have been made available out of our total war resources.

The fact that military power had to be created rapidly—as is always true in nonaggressor nations such as ours—led to sudden heavy emphasis on direct military supplies and manpower in the preparatory and first active stages of the war. One inevitable result, in the later stages, has been difficulty in shifting the economic gears, re-emphasizing war-supporting requirements, remanning the depleted production lines, catching up with essential pent-up demands.

In spite of delays and uncertainties, however, increased supplies of most things needed in the food program have been made available in the two fiscal years covered by this report.

Farm Machinery and Equipment

A case in point is farm machinery and equipment. The carbon steel used in fabricating this equipment, including repair parts, has totaled more than a million tons in each of the last two fiscal years, compared with less than 923,000 tons in 1940 and much less than that in the early stages of the war. Exact comparable figures are not available for the early stages of the war because programming during that time was on neither a fiscal- nor a calendar-year basis.

However, the trends are shown accurately by the following comparisons, by calendar years, of actual sales to U. S. farmers of new machinery (not including repair parts) in terms of manufacturers' 1940 prices:

1940, one of the program base years	$318, 400, 000
1941, the all-time record and last peacetime year	445, 800, 000

1942, under the original limitation	$333,300,000
1943, when production was drastically curbed for 3 months, permitted to increase a little for 3 months and then reprogrammed on a fiscal-year basis	218,100,000
1944, including some production authorized but not completed in 1943	410,800,000

This year, 1945, output is likely to exceed that of 1944 by a considerable amount. During the third quarter of the year, manufacturers are being given positive assistance to increase their production at least 30 percent and will be permitted to increase it even more if they can obtain the materials and manpower without Government assistance. New record output seems to be in sight, although the Government assistance on manpower and components is less than that recommended by the WFA.

The production indicated above, together with greatly increased production of repair parts, has permitted farmers to increase mechanization of their operations during the war. This has been essential because of the smaller and less effective supply of farm labor.

Further relief for the farm labor situation has been effected by requiring increases in the production of several labor-saving machines. (This is an important fact in interpreting the preceding over-all figures on farm equipment.)

For example, in 1940 production of corn pickers was 11,436; in the past 2 fiscal years it has amounted to 29,681 and 32,861, respectively. The annual production of large combines has been about tripled since 1940. Production of pick-up hay balers—2,045 in 1940—was more than seven times as great in the program year of 1943–44. These are exceptional increases, of course, but many other machines have been produced at replacement levels.

Demand for farm machinery has not been met. Production of machinery has consistently run behind schedule—a matter over which the WFA has had no authority. But authorized programs and final output in the past 2 years have been large in relation to both the past production and to simultaneous military requirements.

The present improved outlook does not necessarily mean the farm machinery problem has been solved. Both needs and buying power will continue to be large while food demands are large, and the materials and manpower needed by farm-machinery plants may not flow to the plants naturally. No chances should be taken so long as the war continues. But assuming reasonable care, the prospects are brighter now than at any time since the war began.

Chemicals and Fertilizers

Most chemicals needed in the food program have been available in relatively large volume during the last 2 fiscal years. There are exceptions in the vast list of needed chemicals—pyrethrum and rotenone insecticides included—but fertilizer materials are not among the exceptions.

Compared with the prewar period of 1935–39, the use of fertilizer materials in the past 2 years has been up greatly—by about 80 percent for nitrogen and phosphoric acid and by more than 90 percent for potash. This has had an extremely important bearing on food production by increasing the efficiency and over-all output of many farms. Fertilizer prices have been low in relation to farm commodity prices, and demand has not been met in all areas.

Increased use of the three principal fertilizer materials is shown by the following tabulation:

Years:	*Nitrogen*	*Tonnage* *Phosphoric acid*	*Potash*
1935–39 average	368, 000	758, 000	373, 000
1943–44 (fiscal year)	643, 000	1, 300, 000	604, 000
1944–45 (estimate for fiscal year)	668, 000	1, 350, 000	718, 000

Fertilizer is one of the most important parts of the chemical picture.

Agriculture, directly and indirectly, is probably the biggest single consumer of chemicals. The uses are classed generally in three groups: (1) Fertilizer, (2) protection of crops and livestock, and (3) processing, packaging, and preservation of food.

A separate volume would be required to list all of the chemicals involved and to chart the changing supply situations. Suffice it to say (1) that the increased food output would not have been possible without adequate supplies of chemicals and (2) that supplies would not have been adequate without care, conservation, and cooperation—together with considerable ingenuity—on the part of both industry and Government.

Examples of the means used include:

Insecticides.—Agricultural use of pyrethrum and rotenone has been permitted for only the most essential needs; nicotine, scarce since the end of 1943, is being conserved through cooperation between industry and WFA without the formality of an allocation order; military use of the new material DDT is permitting release of some pyrethrum and rotenone for agricultural uses; substitutes for scarce materials are being used constantly, thus enabling farmers in general to "get by" with minimum crop losses.

Fertilizers.—Rates of application have been limited, first according to essentiality of crop, later according to State experiment station recommendations or normal local rates. The number and content of grades of mixed goods has been limited. Distribution has been kept equitable by putting responsibility on each manufacturer, dealer and agent to supply his regular area. Needs of farmers who buy materials for straight application or home mixing have been safeguarded. On the recommendation of WFA, sulphuric acid production facilities have been expanded; likewise in response to WFA requests, scarce shipping space has been assigned by War Shipping Administration to imports of Chilean nitrate.

During the early days of the war, serious shortage developed in the supply of chemicals used as supplements in foods and feeds and in food processing—edible acidulants, such as citric, tartaric, and lactic acids, phosphates for production of yeast; vitamins for food and feed enrichment—and among some of the food processing chemicals such as chlorine and benzcyl peroxide for bleaching and aging of flour; acids, salts, alkalies, and synthetic detergents for the sanitation of food processing plants; and refrigeration chemicals.

While a few of these are still in short supply, the needed chemicals have been provided. This was accomplished by locating new sources of supplies of raw materials, providing new production facilities, and wherever possible, providing suitable substitutes.

It is worth noting that needs of Victory gardeners for both fertilizers and insecticides have been met adequately during the period of this report.

One of the most noteworthy footnotes in the story of chemicals and fertilizers is the fact that rationing and other expensive administrative measures have been avoided through close cooperation between the industries and the WFA and other Governmental agencies.

As to the future: The 1945–46 chemicals and fertilizers supply picture is not clearly delineated. While it is certainly brighter than in the past war years, there are elements of uncertainty which will need to be carefully worked out to prevent dislocations and seasonal shortages in chemical materials required to achieve food-production goals.

Containers

Container shortages have been a threat to food supplies throughout the war, but so far as known by the WFA no crops and no processed food have been lost for lack of containers.

WFA has issued no container regulations but, through close and continuous working relationships with the War Production Board and the various trade groups, arrangements have been made for (1) handling seasonal problems, (2) discriminating between the more and the less essential commodities, and (3) conserving containers and container materials.

Examples: In both 1944 and 1945, the highest priorities were obtained for barrels in which to move the flush-season output of dried skim milk. Use of tinplate has been (1) prohibited for dog food, coffee, consumer-size packages of lard or other shortening and (2) reduced for many other products such as dry beans, codfish cakes, and sauerkraut. In the spring of 1944 several million extra egg cases made of fiberboard were obtained on account of the greatly expanded seasonal supply. At various times when unexpected problems developed in fruit or vegetable areas, seasonal priorities for cans were obtained to save food. In response to two different threats of grain spoilage on the West coast, several million yards of bagging material were made available on an emergency basis. As paperboard became scarcer, industries were advised to conserve it, with the result that much more food is being packaged with 10 to 15 percent less material. More than the prewar number of wooden containers for fruits and vegetables are being obtained, but the increase would be insufficient to handle the crops were it not for conservation and reuse.

The tremendous increase in home canning has been made possible by increases in the production of closures—from 12 million gross in 1941 to more than 30 million gross in 1944—and of glass jars—from 800,000 gross in 1941 to 2,500,000 gross in 1943.

Increases in the use of tinplate for the food program are perhaps even more significant. Approximate tonnage figures for cans, crowns, and closures for 1944 and 1945 are 2,200,000 and 2,800,000, respectively, compared with 1,750,000 in 1940. The increase is actually greater than that indicated by the figures, for the prewar figure included many uses which are now prohibited or restricted.

One of the biggest container problems of 1945 is that of textile bags. Requirements rose unpredictably as Europeans were liberated and it became necessary to ship more food, particularly wheat, through the devastated European ports which could not handle large bulk shipments. In 1941 the United States used for bags about 619 million yards of burlap and 844 million yards of cotton goods; in 1944 the comparable figures are 632 for burlap and 1,032 for cotton. This year, so far, supplies of cotton goods are smaller and burlap supplies are not enough larger to compensate. Intensive conservation and reuse of available bags are essential measures.

For the duration of the war and probably longer, tin, textile, and wood products are likely to be scarce in relation to demand. This fact should not be overlooked in the formation of plans and programs for food.

Food-Processing Equipment

Early in the war the production of food-processing equipment for domestic use dropped to an all-time low.

Large expansion was necessary in facilities for dehydration and canning, meat packing, dairy products, and edible oils. Replacement machinery was needed too because of wear and tear resulting from longer working hours and poorer maintenance by inexperienced help. In October 1943, shortly after WFA undertook the programming of food processors' machinery requirements, a year's program was established to provide machinery valued at $102,000,000 for food industries, compared with deliveries valued at $30,000,000 during the 1942–43 fiscal year. Programs were set up also for cotton-ginning and delinting equipment, feed salvage, fishing vessels, and other industrial equipment, which raised authorized production levels of all food, feed, and fiber processing-plant equipment to about $175,000,000 per year.

The dairy- and milk-products machinery program also was as large ($30,000,000) as the previous year's total sales of machinery to the major domestic food-processing industries. Major expansion was undertaken to recover feed from canners' and distillers' waste, and in alfalfa dehydrating. Expansion rapidly progressed in canning and food dehydrating, in the processed eggs and dairy products fields, especially in cheese, powdered and evaporated milk, and in meat products. These programs necessitated building construction valued at more than $300,000,000, ranging from simple buildings and essential holding and storage facilities to highly complicated processing plants.

Expansion of corn-sugar facilities to relieve insofar as possible the tight supplies of cane and beet sugar has been sponsored and approved by both WFA and WPB.

The fishing-craft construction for which WFA has been the claimant has provided sufficient boats to replace the 1,000 craft (approximately 30,000 tons) which were requisitioned by the armed services at the beginning of the war.

Surplus War Property

For somewhat more than a year, an effort has been made to add to the food production "tools" from supplies no longer needed by military and other war agencies.

Between June 1 and December 31, 1944, agriculture received an estimated 25,000 trucks from a probable total supply of 50,000, which included many of sizes and types which agriculture could not use. Arrangements were made to channel such trucks to the areas and the individuals able to use them to best advantage in the food program. At first informal and not fully effective, such arrangements have been improved and formalized through action of the Surplus Property Board for the purpose of preventing impairment of farm production. The Board also has provided special procedures for other surplus goods needed by agriculture.

In response to a request by the War Food Administrator, the Secretary of War recently instituted a study of the military-truck situation and is currently making available approximately 30,000 trucks of types and sizes required in agriculture.

Through arrangement with the Reconstruction Finance Corporation, the WFA has assisted in holding 54 rural auction sales of DPC supplies (mainly tools and other residue from war-plant construction). In this way, 25,250 individuals in rural areas—about 1 person in every 4 attending—have been able to buy supplies which cost the Government $419,000 when new. They paid $214,000.

The first war plants converted to uses benefitting agriculture were hemp plants, owned by the RFC, which the WFA found could be used for drying corn of high moisture content.

Other Food-Program "Tools"

As claimant, WFA has dealt with many essential items in addition to those already mentioned—hand tools, fencing, merchant trade products, copper wire, lumber, farm scales, farm engines, electrical motors, milk cans, pressure canners, gasoline for use on farms, production textiles, and others.

In addition to its work as claimant, the WFA in the past 2 years has:

In cooperation with the War Production Board, reviewed and offered recommendations on 92,318 applications for priorities assistance involving food, feed, and fiber facilities and equipment costing 750 million dollars.

Administered distribution of milk cans, lumber for farms, copper wire for farmstead wiring, farm engines, fertilizers, and certain insecticides.

Rationed and exercised certain other distribution controls over farm machinery until the fall of 1944, when the principal shifting of crop acreages had ended.

Made recommendations on applications for Necessity Certificates requesting accelerated amortization under provisions of section 124 (f) of the Internal Revenue Code.

Advised various war agencies, in Washington and in the field, in regard to agricultural requirements for materials and equipment for which there were no special agricultural allotments. Examples: Trucks, crawler tractors, tires, and gasoline.

It would be impossible to relate all of the detailed arrangements made to assure producers adequate or the most nearly adequate supplies possible. Suffice it to say that the arrangements have been many, varied, and on the whole quite effective.

Over-all Decisions in "Tools" Allocation

No one knows the extent to which food production might have been expanded if more equipment had been available, just as nobody can estimate how much the war might have been shortened if the armed forces had had more men and equipment. One can only speculate. But this we know: The amount of equipment and supplies available for the food program has been determined largely by policy decisions in the over-all war planning and therefore may be appraised according to the over-all success of our war management.

A realistic appraisal will indicate at least that the farmers and food industries, like the military services, have geared their plans to the productive capacity of the Nation and have used the available "tools" to the utmost.

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